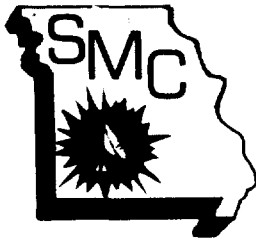


EX PARTE OR LATE FILED



Southwest Missouri Cable TV, Inc.

P.O. BOX 696

CARTHAGE, MISSOURI 64836

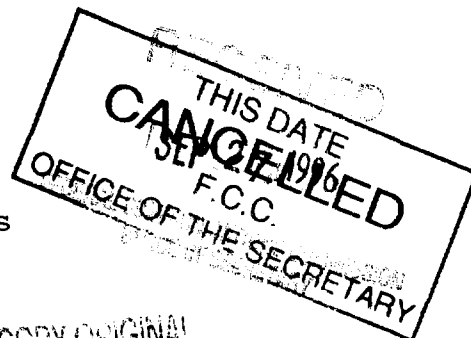
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SEP 26 1996

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September 19, 1996

S. Jenell Trigg
Eric L. Jensen
Telecommunications Policy Analyst
Office of Communication Business Opportunities
1919 M. Street N.W., Suite 644
Washington, D.C. 20554



Dear Jenell and Eric:

DOCKET FILE COPY ORIGINAL

To follow up our productive meeting of this date, let me simply thank you both for meeting with me, but most importantly, your interest into matters pertaining to the survival of small business everywhere, not just mine.

I am composing this in my hotel room because I am afraid I will forget some of the things we discussed and I believe they are all very important, so here goes.

In regard to: Supplemental filing in Docket No. 96-113.

The first item of concern is the vulnerability of small cable operators who at the urging of the FCC and the Department of Agriculture brought cable television service to their rural communities in the 1980's. These people have since had the misfortune of being told by the U.S. Government they are now poor business people who are not providing quality service to their customers and are therefore re-regulated and treated somewhat poorly, to say the least. These entrepreneurs (those fortunate enough to still be in business) are facing blistering competition from the General Motors-DBS venture (direct TV), the cable industry's Primestar partners, and the new entrant, "The Dish". Penetration numbers in some areas are approaching 30%. These small operators also face obstacles to their continued business operations from REA cooperatives, both power and telephone, who are charging pole rental in excess of \$15 per year and more while suffering direct competition from these government subsidized entities in the DBS business. Companies experiencing this are Buford Television, Tyler, TX, Pioneer Cable, Monument, CO and several others.

We also discussed what might be done to create other revenue generating opportunities for these small rural businesses and they are, in cases where permitted, reselling local exchange services and where a rural small telephone company is the incumbent LEC.

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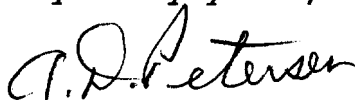
I suggest the creation of exclusive service areas which would probably be the zip code of the town served by the small operator and I am suggesting that the General Motors, Primestar, "The Dish" combine pay absentee fees within this exclusive area of operation to these small operators. In the face of fierce DBS competition small cable pays the same price for HBO as C Band TVRO owners do. Time Warner will not conduct business with small cable at wholesale rates.

Small market broadcasting is another area of small business suffering the impact of the DBS venture around the country. They, like small cable, are facing uncontrolled importation of distant network television signals into their exclusive Grade B service areas. These broadcasters complain but with little effect. The DBS company simply asks the dish purchaser if they can receive a local TV signal and are usually told by the consumer that they either can receive a marginal or poor signal. As a result, they simply authorize that customer to receive imported network signals in place of the local broadcaster. I suggest that zip codes within each respective television station's Grade B contours be the controlling determinant on which distant signal importation should be permitted.

There are a large number of obstacles faced by small cable operators which were created by the Cable Act of 1992. I refer the commission staff to the Small Cable Business Association's inquiry response information presently on file.

And finally, I recall discussing problems encountered by small cable operators acquiring financing necessary to purchase technology and thus regain the capability to be competitive and state of the art. This means upgrading their plant to at least 550 mhz, purchasing digital compression equipment, etc. My point in the discussion was that bankers, because of the uncertainties of the small operator's future from both a regulatory as well as a competitive perspective, these bankers feel deterred to making loans to these small companies.

Very truly yours,

A handwritten signature in cursive script, reading "A. Dean Petersen".

A. Dean Petersen
President

ADP:jmg